

**APPRAISAL REPORT
AND
VALUATION ANALYSIS**

PROPERTY:

WM R. Peterson Oil Company property
44 River Road Parcel 2 & 2AA
Middletown, Connecticut 06457

BELONGING TO:

The City of Middletown
245 DeKoven Drive
Middletown, Connecticut 06457

PREPARED FOR:

City of Middletown
James S. Sipperly
Planning-Environmental Specialist
Planning, Conservation & Development
245 DeKoven Drive
P.O. Box 1300
Middletown, Connecticut 06457

PREPARED BY:

**CHARLES M. BURR
GENERAL CERTIFIED
REAL ESTATE APPRAISER
16 W.F. PALMER ROAD
MOODUS, CONNECTICUT 06469**

PREFACE

The subject property was the WM R. Peterson Oil Company property, which is 2.99 acres with a garage style building. The property is now in two parcels, parcel 2 is 1.49 acres and parcel 2AA is 1.5 acres. The property will be appraised in, as is condition with 2.99 acres and outbuilding as of August 1, 2001. Site improvements will also be included in this appraisal.

**Charles M. Burr
Certified General Appraiser
Certification #RCG93**

August 1, 2001

City of Middletown
James S. Sipperly
Planning-Environmental Specialist
Planning, Conservation & Development
245 DeKoven Drive
P.O. Box 1300
Middletown, Connecticut 06457

Dear Mr. Sipperly:

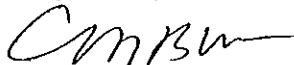
In accordance with your request for an estimate of the market value of the unencumbered fee simple title to the property located at 44 River Road Parcel 2 & 2AA, Middletown, Ct. 06457, belonging to W.R.P. Corporation, I have personally inspected the subject property and have made a careful and detailed analysis of all factors pertinent to the estimate of value.

The accompanying report contains the results of my investigation and analysis.

In my opinion, the market value of the subject property as of August 1, 2001 is:

**SIX HUNDRED SIXTY TWO THOUSAND DOLLARS
(\$662,000.00)**

Respectfully submitted,



Charles M. Burr
Certified General Appraiser, Ct. RCG93

CMB/ko

**OFFICE (860) 873-2011 FAX (860) 873-8396
16 W.F. Palmer Road, P.O. Box 193, Moodus Connecticut 06469**

CERTIFICATION OF VALUE

I, the undersigned, do hereby certify that I have personally inspected the property located at:

44 RIVER ROAD PARCEL 2 & 2AA, MIDDLETOWN, CT.

To the best of my knowledge and belief, the statements of fact contained in this report and upon which the opinions herein are based are true and correct, subject to the assumptions and limiting conditions explained in this report.

Employment in and compensation for making this appraisal are in no way contingent upon the value reported, and I certify that I have no interest, either present or contemplated, in the subject property. I have no personal interest or bias with respect to the subject matter of the appraisal report or the involved.

This appraisal report identifies all of the limiting conditions affecting the analysis, opinions, and conclusions contained in this report.

In my opinion, the subject property has a value representative of market conditions on August 1, 2001 of:

SIX HUNDRED SIXTY TWO THOUSAND DOLLARS
(\$662,000.00)



Charles M. Burr
Real Estate Appraiser

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property address:	44 River Road Middletown, Ct. 06457
Parcel size:	Parcel 2-1.49 acres Parcel 2AA-1.5 acres = 2.99 acres
Improvements:	Outbuildings and site improvements
Zoning:	ID, Institutional Development
Effective date of valuation:	August 1, 2001
Identification of the property:	Volume 1194, page 216-218 Volume 1253, page 147-148 Map 34, block 24-4, lot 2 & 2AA
Indicated market value:	\$662,000

DESCRIPTION

IDENTIFICATION OF THE PROPERTY

The subject property is located on the northerly side of River Road, Town of Middletown, County of Middlesex, and State of Connecticut 06457.

The property is identified in the Middletown Assessor's Office on map 34, block 24-4, lot 2 and 2AA and further described in the Middletown Town Clerk's Office in volume 1194, page 216 and volume 1253, page 147.

The property consists of 2.99 acres with improvements.

PURPOSE OF APPRAISAL

The purpose of this appraisal is to estimate the market value of the unencumbered fee simple title to the property described above as of August 1, 2001.

THE SCOPE OF THE APPRAISAL

The scope of the appraisal is defined to mean, "the extent of the process of collecting, confirming and reporting data".

In this particular situation, the subject's property records were researched in the Middletown Town Hall to include the Assessor's Office, Town Clerk's Office, and the Building Department. Mr. Burr inspected the property.

In addition, the appraiser researched sales data of similar properties in Middletown and surrounding towns. Various sales were found, as are cited in the body of this report.

The intent of this report is provided in summary fashion, utilizing public records and information on file in this office.

DEFINITION OF MARKET VALUE

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (i) Buyer and seller are typically motivated;
- (ii) Both parties are well informed or well advised and acting in what they consider their best interests;

- (iii) A reasonable time is allowed for exposure in the open market;
- (iv) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto;
- (v) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

LIMITING CONDITIONS

The legal description furnished to me is assumed to be correct. I assume no responsibility for matters legal in character, nor do I render an opinion as to the title, which is assumed to be good. Unless otherwise stated, all existing liens and encumbrances have been disregarded and the property is appraised as though free and clear. The sketch in this report is included to assist the reader in visualizing the property. I have made no survey of the property and assume no responsibility in connection with such matters. I believe to be reliable, the information which was furnished to me by others, but I assume no responsibility for its accuracy. Possession of the report, or a copy thereof, does not carry with it right of publication, nor may it be used for any purpose by any but the applicant without the previous written consent of the appraiser and then only the proper qualification. The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

ENVIRONMENTAL DISCLAIMER

The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser's routine inspection of and inquires about the subject property did not develop and information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.

PROPERTY HISTORY

The subject property was owned by the WM R. Peterson Oil Company Inc. for many years. The property transferred title to the city of Middletown as follows: Assessors map 34, block 24-4, and lot 2AA, 1.5 acres. Transferred title on March 23, 1999, volume 1194, page 216. Assessors map 34, block 24-4 lot 2, 1.49 acres, transferred title on February 26, 2001, volume 1253, page 147.

STATE DATA

The State of Connecticut is the southernmost state in New England. Connecticut is bordered on the east by Rhode Island, north by Massachusetts, west by New York, and south by Long Island Sound.

It's economy since the industrial revolution has been based on industrial production, with financial services contributing additional incomes. Family farms are almost nonexistent, with only a few remaining in the rural areas. Connecticut, over the past thirty years has become dependent on revenues from military weapons and systems. Connecticut's past heavy reliance on defense production has created many clouds on the states economic horizon. On the brighter side, many of Connecticut's more affluent suburban towns, Greenwich, Darien, Westport, New Canaan, Avon, and Farmington, have some of the highest per capita incomes in the nation and bring substantial revenue to the state coffers. Unique environmental resources, such as Long Island Sound, offer appealing living conditions, attracting upper and middle managers. Yale University, Wesleyan University, Trinity College, Connecticut College and the United States Coast Guard Academy are among the schools located in the state, which bring educational and research facilities to the population and the business community in particular. Hartford, Connecticut has been recognized as the leading insurance center of the country and its financial operation have made it a stable revenue.

Connecticut along with other states in New England, has suffered from the affects of considerable over building in the real estate fields, during the mid 1980's, purchasing power was unable to support the sale of real estate whose prices had increased dramatically in the expansion cycle, and then the contraction phase set in. At present, property values have stabilized. The trend is positive with hopes for an improving future.

The outlook for the state's economy will be influenced by its major industries ability to diversify into non-defense production capabilities. Challenges that exist in the educational and financial environment could lead to opportunities for additional growth if Connecticut can capitalize on its excellent quality of life and can demonstrate it to global industries and smaller entrepreneurial business. Over the past year residential real estate sales and housing starts have increased, supply and demand for residential real estate is in balance and residential prices have stabilized. Commercial and industrial real estate has also stabilized.

TOWN DATA

Middletown, Connecticut is located in central Connecticut in the Connecticut River Valley where the Mattabassett and Connecticut Rivers meet. Middletown is bordered on the north by the towns of Cromwell and Berlin, south by Durham and Haddam, east by the Connecticut River and west by Meriden and Middlefield.

Middletown contains 42.9 square miles and has an estimated population of approximately 44,000 people.

Middletown is serviced by Interstate 91 and Connecticut Route 9. Interstate 91 is located along the towns westerly border and Route 9 borders the Connecticut River running north and south connecting with Hartford to the north and south to the Connecticut shoreline. Other major Connecticut roadways servicing Middletown are Route 17, Route 217 and Route 66.

Community transportation facilities include the Middletown Transit District, Greyhound and Trailways bus service-connecting Middletown with Hartford, and Amtrak rail transportation to New York and Boston from a nearby Meriden Station. Air transportation is available either from Bradley International Airport, located 28 miles north of Middletown, or Tweed New Haven Airport, located 30 miles south of the community.

Middletown has thirty places of worship serving all denominations. There are public elementary schools, a public high school, public middle schools, and two parochial high schools. The city is the location of Wesleyan University, one of the nation's top twenty higher education institutions. Middlesex Memorial Hospital a fully accredited 400-bed facility is located within the central business district.

In addition, Middletown is the banking and retail center for Middlesex County. Middletown is known for its insurance field boasting Middlesex Mutual, and Aetna's huge Employee Benefits Division complex.

Middletown has a full time Police force and fire department. Middletown features and industrial park with a variety of industrial and commercial ventures.

Middletown is bordered on the east by the Connecticut River, its most important asset.

NEIGHBORHOOD DATA

The subject neighborhood is located in the east central section of Middletown along the Connecticut River. The neighborhood is bordered on the north by the Connecticut River, south by Bow Lane, east by Silvermine Road and west by Route 9.

There is easy access to Route 9 with a northerly connector plus walking distance to the Middletown Business district. Also within walking distance are Middlesex Memorial Hospital and the Northern Middlesex Y.M.C.A.

The neighborhood is built up over 95% with 75% commercial and industrial use. Businesses include Middletown Plate Glass, Sal J. Marino & Son, DeRita Construction, Du-Lite Corporation, Americas Cup Restaurant, Rushford Center, WMRD Radio, professional offices and service businesses.

Also located in the subject neighborhood is Harbor Park and the Wesleyan University boathouse and launching area.

Property values in subject neighborhood are increasing with demand and supply in balance. Other characteristics include average employment stability, good adequacy of utilities, good convenience to shopping, employment and professional services and average general property appearance.

The major feature in subject neighborhood is the Connecticut River with Sumner's Creek. This is a vital asset to the city of Middletown with its gracious river frontage, boasting deep-water channels.

The neighborhood is within walking distance to Main Street businesses and services.

SITE DATA

The subject site is 2.99 acres now divided into two parcels – 1.49 acres and 1.5 acres. The site has 366.43 front feet on River Road, approximately 554.09 front feet on Sumner's Creek and approximately 370 front feet on the Connecticut River.

The site is bordered on the north by the Connecticut River, south by River Road, east by property of the city of Middletown and west by Sumner's Creek.

The site is at street grade then slightly slopes upward to the north and levels. The site is level for approximately 160 feet then gently rolls down to the Connecticut River at the sites northerly sector.

The sites westerly sector has a severe downward slope to Sumner's Creek and the easterly sector is basically level. There are improvements on the site.

There is 12,500 square feet of concrete parking in fair condition, 320' of chain link fencing, 220' of concrete dike, 300' of clay dike, 4 dolphins, wood dock and approximately 150 front feet on wood bulkheads. The subject site enjoys deep-water channels in the Connecticut River for boat and barge access.

Off site improvements include public paved road, streetlights, storm sewers and a town maintained bridge over Sumner's Creek. Utilities include electric, city water, sewer and electricity.

BUILDING DESCRIPTION

44 River Road:

One story masonry garage style building with a small office, built in 1925, there is 3,552 sq.ft. in fair condition. The exterior is masonry and wood with six overhead doors. There are double hung and awing windows, metal and wood ingress/egress doors. The roof is rolled asphalt with a slight pitch. The building has a concrete floor on footings.

ZONING

ID – Institutional Development. The subject property is legal and conforming. The subject site is located in a flood hazard zone. Zone AE, map 0900680003B, date 7/16/90.

ASSESSMENT & TAX DATA

Assessment is based on 70% of market value:

Lot #2:	\$125,160
Lot #2AA:	\$126,000
Improvements:	<u>\$ 79,569</u>
Total assessment:	\$330,729

Millage rate: 36 mills

Tax burden: \$11,906.28

HIGHEST AND BEST USE

Highest and best use is defined as:

The reasonably probable use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

The highest and best use of land or a site as though vacant is specified as: Among all reasonable, alternative uses, the use that yields the highest present land value, after payment are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

The definition associated with highest and best use of a property as improved is: The use that should be made of a property, as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the

property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and construction of a new one.

In determining highest and best use when a site contains improvements, the highest and best use may be different from the existing use. The current or existing use will be considered the highest and best use until the value of the land component, as vacant and available, exceeds the value of the property as currently improved plus the cost associated with removing the existing structures, in order to arrive at a conclusion of highest and best use, as both vacant and as improved, the appraiser addressed the elements affecting the utilization of the subject property. That is, the physically possible, legally permissible, financially feasible, and maximally productive use which will result in the highest and best use. In this analysis, the appraiser will consider these elements sequentially to arrive at the conclusion. The reason for this is that a use must first be physically possible and legally permissible before it can be financially feasible and maximally productive. The highest and best use is its present use.

VALUATION PREMISE

There are three generally recognized approaches to value, which may be used in estimating the value of real estate. In this appraisal, I will use two due to valuation of vacant land. The income approach is not valid.

DIRECT SALES COMPARISON APPROACH

"Direct Sales Comparison Approach – That approach in appraisal analysis which is based on the proposition that an informed purchaser would pay no more for a property than the cost to him of acquiring an existing property with the same utility. In the sales comparison approach, the subject property is compared to similar properties that have been sold recently or for which listing prices or offering figures are known. Data for generally comparable properties are used and comparisons are made to demonstrate a probable price at which the subject property would be sold if offered on the market".

In this appraisal, the sales comparison approach will be used to determine the market value.

COST APPROACH

This approach is based upon the assumption that a typical buyer will pay more for an improved property than it would cost to buy a site ready to improve and to construct the improvements on that site, which have equal utility to an existing property.

ABSTRACTION METHOD

An appraisal process where the appraiser selects comparable properties, estimates the value of their improvements, and then subtracts this estimate from the total price to give an estimate of the value of the land.

VALUATION

**COST APPROACH
SUBJECT BUILDING SITE IMPROVMENTS**

COST APPROACH

Subject building:

3552 sq.ft.	@	\$27.00	=	\$95,904
Less depreciation (75%)			=	<u>-71,928</u>
Depreciated value of building			=	\$23,976

Site improvements:

Fencing, bulkhead, dolphins, dock	=	\$80,000
Less depreciation (50%)	=	<u>-40,000</u>
Depreciated values of site improvements	=	\$40,000

**INDICATED MARKET VALUE
OF BUILDING AND SITE IMPROVEMENTS
BY COST APPROACH AS OF
AUGUST 1, 2001 IS: (ROUNDED)**

**SIXTY FOUR THOUSAND DOLLARS
(\$64,000.00)**

COST APPROACH

“Marshall valuation service analyzation of costs.

Section 14, page 31

Class C – low cost \$24.60

Section 99, page 3

Current cost multipliers x 1.01

Adjusted per sq.ft. cost \$24.85

Section 99, page 7

Local multipliers x 1.09

Adjustment per sq.ft. cost \$27.08

**INDICATED COST PER SQ.FT. OF SUBJECT BUILDING
AS OF AUGUST 1, 2001 IS: (ROUNDED)**

\$27.00

COST APPROACH RECONCILIATION

Costs based on Marshall valuation service, plus knowledge of local contractor costs.

**DIRECT SALES COMPARISON
MARKET DATA APPROACH
2.99 ACRES**

Sale #1.

Land records of the Haddam Town Clerk's Office

Location: 12 Harpers Landing
Grantor: Andrews
Grantee: Northern Exposure
Instrument: Warranty deed
Size: 2.5 acres
Date: 7/27/00
Price: \$1,504,000 - \$616,640
Recorded in volume: 231, page 805, price/acre: \$246,656
Conveyance tax: NA
Verified: 8/1/01
Frontage: 640 ff on Connecticut River
Zone: Commercial

Comments and description of sale:

The subject property was sold as a marina. The land portion of the sale is \$616,640, obtained by abstraction. The property is in a commercial zone, which allows numerous commercial ventures. This sale is similar to subject.

Sale #2.

Land records of the Chester Town Clerk's Office

Location: 72 Railroad Avenue
Grantor: Garthwaite
Grantee: Bartlett
Instrument: Warranty deed
Size: 10.55 acres
Date: 3/20/00
Price: \$1,900,000 - \$1,330,000
Recorded in volume: 101, page 1061, price/acre: \$126,066
Conveyance tax: NA
Verified: 8/1/01
Frontage: 1075 ff on Connecticut River
Zone: WD-2, Waterfront design

Comments and description of sale:

The subject property was sold as a marina. The land portion of the sale is \$1,330,000, obtained by abstraction. The property is in a specific waterfront zone with restricted commercial uses. Approximately 4 acres is now useable due to wetlands and utility.

Sale #3.

Land records of the Old Saybrook Town Clerk's Office

Location: 29 Essex Road
Grantor: Wollock
Grantee: BFPM INC.
Instrument: Warranty deed
Size: 4.80 acres
Date: 6/1/01
Price: \$1,200,000 - \$756,000
Recorded in volume: 393, **price/acre:** \$157,500
Conveyance tax: NA
Verified: 8/1/01
Frontage: 400 ff on Connecticut River
Zone: MC Marine Commercial

Comments and description of sale:

The subject property was sold as a marina. The land portion of the sale is \$756,000, obtained by abstraction. The property is in a commercial zone with various uses. Approximately 1 acre is not useable due to wetlands and utility.

Sale #4.

Land records of the Portland Town Clerk's Office

Location: 56 Brownstone Avenue
Grantor: Vinci
Grantee: 38 Duffy Avenue, LLC
Instrument: Warranty deed
Size: 5.18 acres
Date: 5/21/99
Price: \$900,000 - \$371,970
Recorded in volume: 389, page 136, price/acre: \$71,800
Conveyance tax: NA
Verified: 8/1/01
Frontage: 401 ff on Connecticut River
Zone: Commercial

Comments and description of sale:

The subject property was sold as a bulk oil storage complex. The land portion of the sale is \$371,970, obtained by abstraction. The property is in an industrial zone with limited uses.

MARKET DATA ANALYSIS-SUBJECT ACREAGE

Item	Subject	Comp #1	Comp #2	Comp #3	Comp #4
Map	34	49	2-10	59	19
Block	24-4		1		
Lot	2-2AA	18-1	5	83	4
Property Location	River Road Middletown	Harpers Landing Haddam, Ct.	Railroad Ave Chester, Ct.	Essex Road Old Saybrook	Brownstone Av Portland, Ct.
Sales price	NA	Land \$616,640	land \$1,330,000	land \$756,000	land \$372,000
Sale/finance	none	none	none	none	none
Concessions	known	known	known	known	known
Sale date	8/1/01	7/27/00	3/20/00	6/1/01	5/21/99 +44,600
Location ID	C1	WD-2	MC	I CT River	
Zone	Ct. River	Ct. River	Ct. River	Ct. River	+103,6000
Parcel size	2.99 ac	2.5 acres	10.55 acres	4.8 acres	5.18 acres
Topography level	level	level	level	level/rolling	level/rolling
	Rolling	rolling	4 acre not Useable +200,000	1 acre not useable +50,000	
Frontage	370 ff	640 ff	1075 ff	400 ff	401 ff
	Ct. River	Ct. River	Ct. River	Ct. River	Ct. River
	554 ff Sumners Creek				
Utilities City Available		electric	electric city water	electric city water	electric city water city sewer
Net adjustment	NA	NA	+\$200,000	+\$50,000	\$148,200
Indicated Value per acre	NA	\$246,700	\$145,000	\$167,900	\$100,400

**DIRECT SALES COMPARISON
ANALYZATION OF MARKET DATA**

Subject acreage:

2.99 acres x \$200,000 per acre = \$598,000

**INDICATED MARKET VALUE OF SUBJECT ACREAGE
BY DIRECT SALES COMPARISON
AS OF AUGUST 1, 2001 IS:**

**FIVE HUNDRED NINETY EIGHT THOUSAND DOLLARS
(\$598,000.00)**

DIRECT SALES COMPARISON RECONCILIATION

* The subject property is a unique parcel situated on the Connecticut River. There are no recent sales similar to subject located in Middletown. Surrounding towns were researched to find sales with frontage on the Connecticut River. These sales are also limited. It is my opinion the sales researched give a good indication of market value.

Comparable sales dollar adjustments were made for time, topography, utility and zone based on each property separately.

There are some large adjustments due to the lack of similar comparable sales to subject. Subject is a desirable Connecticut River front parcel.

FINAL RECONCILIATION

The indicated market value of the subject property as of August 1, 2001 is as follows:

Cost approach (improvements)	\$ 64,000
Direct sales comparison (2.99 acres)	\$598,000
Final market value as of 8/1/01	\$662,000

1. Marketing time for the subject property, if placed on the open market for sale would be 9 months.
2. This appraisal assignment was not based on a requested minimum valuation of a specific valuation or the approval of a loan.
3. No personal property was included in this report.
4. Uniform Standards of Professional Appraisal Practice was followed.
5. As per the "Competency Rule" of the "Uniform Standards of Professional Appraisal Practice" I am qualified to appraise industrial and commercial properties and have the requisite competency to complete subject assignment.
6. This appraisal is a "Summary Appraisal Report" as defined by the "Uniform Standards of Professional Appraisal Practice", Standards Rule 2-2, Section "B".

ADDENDA

SUBJECT DEEDS

STATUTORY FORM WARRANTY DEED

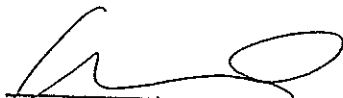
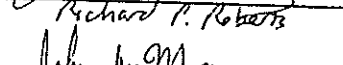
Wm. R. Peterson Oil Company, Incorporated *aka* WM. R. Peterson Oil Company, Inc., a Connecticut corporation with a principal office at 276 Main Street, Portland, Connecticut ("Grantor"), grants to The City of Middletown, a Connecticut municipal corporation with a principal office at 245 DeKoven Drive, Middletown, Connecticut ("Grantee") with WARRANTY COVENANTS the following described property:

All of that certain piece of real property and all buildings and improvements thereon located at River Road, in the Town of Middletown, County of Middlesex and State of Connecticut described in Schedule A attached hereto and made a part hereof.

Together with a temporary easement across the real property of Grantor shown as "R.O.W. IN FAVOR OF CITY OF MIDDLETOWN" on the map referred to on Schedule A attached hereto. The term of such easement shall expire on January 25, 2001. The easement is granted solely for the purpose of providing Grantee with access to the Connecticut River for emergency purposes. Grantee shall, as consideration for the grant of this easement, take all necessary steps to ensure that the property subject to the easement shall not be used by unauthorized parties or for any purposes other than emergency access to the Connecticut River.

Said premises are subject to taxes on the list of October 1, 1997 and thereafter, which taxes the Grantee herein assumes and agrees to pay as part consideration for this Deed. Said premises are further subject to building lines, easements, restrictions and notes, as set forth on said map or plan, and to restrictions, covenants, and easements as of record may appear.


Witnessed by:


Richard P. Roberts

John D. Mauro

Wm. R. Peterson Oil Company, Incorporated
aka WM. R. Peterson Oil Company, Inc.

By 
William R. Peterson
Its PRESIDENT

"No Conveyance Tax collected St exempt


Town Clerk of Middletown"

SCHEDULE A

A certain piece or parcel of land, containing 1.50 acres together with all buildings and improvements thereon, located on the easterly side of River Road in the City of Middletown, County of Middlesex and State of Connecticut, and being shown as "1.50 ACRES" on a map entitled: "PROPERTY OF WM. R. PETERSON OIL COMPANY, INC. TO BE CONVEYED TO CITY OF MIDDLETOWN RIVER ROAD, MIDDLETOWN, CONNECTICUT BOUNDARY SURVEY DATE: DEC. 1983 REV. SEPT. 28, 1998 SCALE: 1"=20' DAVID B. MYLCHREEST Consulting Engineer Civil - Structural - Survey Laurel Grove Rd. Middletown, Conn.", said land being bounded and described as follows:

Beginning at an iron pin set in the easterly street line of River Road, which point marks the southwest corner of the herein described property and the northwesterly corner of other land of the City of Middletown as shown on said map, thence proceeding N 25° 30'00" E a distance of 307.38 feet along the easterly line of said River Road to an iron pin, thence proceeding S 64° 30'00" E a distance of 267.75 feet along property now or formerly of Grantor to an iron pin, thence proceeding S 36° 44' 45" W a distance of 43.38 feet along the bank of the Connecticut River, thence proceeding S 22° 20' 03" W a distance of 155.90 feet along the bank of the Connecticut River to an iron pin, thence proceeding N 71° 54' 33" W a distance of 135 feet more or less along property now or formerly of the City of Middletown to an iron pin, thence proceeding S 58° 35' 54" W a distance of 52.67 feet along property now or formerly of the City of Middletown to an iron pin, thence proceeding S 59° 56' 29" W a distance of 60.49 feet along property now or formerly of the city of Middletown to an iron pin, thence proceeding N 62° 41' 13" W a distance of 71.09 feet along property now or formerly of the City of Middletown to the point and place of beginning.

In addition to the above described 1.50 acre parcel of land it is the intention of this deed to convey to the grantee whatever interest the grantor may have in and to the intertidal zone of the Connecticut River described as follows:

A certain roughly triangularly shaped piece or parcel of land located easterly of the 1.5 acres of land conveyed by deed dated March 23, 1999 from Wm. R. Peterson Oil Company, Incorporated (aka Wm. R. Peterson Oil Company, Inc.) to the City of Middletown, said triangular parcel of land being generally located in the area between the high water mark and the low water mark of the Connecticut River and being more particularly shown on a map entitled: "PROPERTY OF WM. R. PETERSON OIL COMPANY, INC. TO BE CONVEYED TO CITY OF MIDDLETOWN RIVER ROAD, MIDDLETOWN, CONNECTICUT BOUNDARY SURVEY DATE: DEC. 1983 REV. SEPT. 28, 1998 SCALE: 1"=20' DAVID B. MYLCHREEST Consulting Engineer Civil - Structural - Survey Laurel Grove Rd. Middletown, Conn.", said land may be described as follows:

Beginning at the southeasterly corner of the 1.5 acres of land conveyed to the City of Middletown by deed dated March 23, 1999 from Wm. R. Peterson Oil Company, Incorporated, said point being the northeast corner of other land of the City of Middletown as shown on said map at its intersection with the Connecticut River, continue thence N 22° 20' 03" E a distance of 155.90 feet along the said 1.50 acres of land identified above, as shown on said map; continue thence N 36° 44' 45" E a distance of 43.38 feet along the said 1.50 acres of land, identified above, as shown on said map; continue thence in an easterly direction along the southerly boundary of land identified on said map as a 25' R.O.W. IN FAVOR OF CITY OF MIDDLETOWN, as shown on said map to a point which is the northerly terminus of a TIE LINE as shown on said map; continue thence S 48° 05' 36" W a distance of 259.26 feet along said TIE LINE to the point or place of beginning.

Rec'd for Record MAR 23 1999 at 3:59 PM
 Recorded by [Signature]

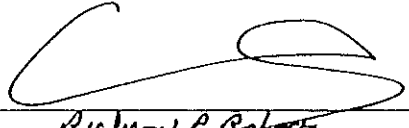
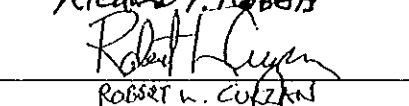
Wm. R. Peterson Oil Company, Incorporated, a/k/a WM. R. Peterson Oil Company, Inc., a Connecticut corporation with a principal office at 276 Main Street, Portland, Connecticut ("Grantor"), grants to The City of Middletown, a Connecticut municipal corporation with a principal office at 245 DeKoven Drive, Middletown, Connecticut ("Grantee") with WARRANTY COVENANTS the following described property:

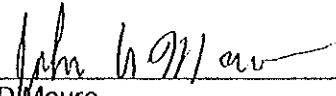
All of that certain piece of real property and all buildings and improvements thereon located at River Road, in the Town of Middletown, County of Middlesex and State of Connecticut described in Schedule A attached hereto and made a part hereof.

Said premises are subject to taxes on the list of October 1, 1999 and thereafter, which taxes the Grantee herein assumes and agrees to pay as part consideration for this Deed. Said premises are further subject to building lines, easements, restrictions and notes, as set forth on said map or plan, and to restrictions, covenants, and easements as of record may appear.

Witnessed by:

Wm. R. PETERSON OIL COMPANY,
INCORPORATED


Richard P. Roberts

Robert W. Cuzzani

By 
John DiMauro
Its Vice President


"No Conveyance Tax collected *st exempt*"

STATE OF CONNECTICUT)
: ss. Middletown
COUNTY OF MIDDLESEX)


Town Clerk of Middletown

On this 26th day of February, 2001, before me, the undersigned officer, personally appeared John DiMauro, Vice President of Wm. R. Peterson Oil Company, Incorporated, a Connecticut corporation, known to me (or satisfactorily proven) to be the officer whose name is subscribed to the within instrument and acknowledged that he executed the same as the free act and deed as such officer and as the free act and deed of said corporation.

In Witness Whereof, I hereunto set my hand.


Commissioner of the Superior Court
Notary Public *Richard P. Roberts*
My Commission Expires:

POOR ORIGINAL

SCHEDULE A

A certain piece or parcel of land located on the easterly side of River Road in the City of Middletown, County of Middlesex and State of Connecticut, together with all improvements located thereon, said piece or parcel of land being the northerly portion of those premises shown on a map entitled: "PROPERTY OF WM. R. PETERSON OIL COMPANY, INC. TO BE CONVEYED TO CITY OF MIDDLETOWN RIVER ROAD, MIDDLETOWN, CONNECTICUT BOUNDARY SURVEY DATE: DEC. 1983 REV. SEPT. 28, 1998 SCALE: 1"=20' DAVID B. MYLCHREEST Consulting Engineer Civil - Structural - Survey Laurel Grove Rd. Middletown, Conn.", said land being more particularly bounded and described as follows:

Beginning at a iron pin in the Easterly street line of River Road, being the northwesterly corner of land of the City of Middletown and shown on said map as "1.50 ACRES", thence proceeding N 25° 30' 00" E a distance of 49.66 feet along the Easterly street line of said River Road to an iron pin, thence proceeding N 30° 00' 03" W a distance of 9.39 feet along the easterly street line of said River Road to an iron pin, thence proceeding N 71° 14' 57" E a distance of 47.50 feet along land now or formerly of Misenti to an iron pin, thence proceeding N 50° 00' 03" W a distance of 99 feet, more or less, to the southerly shore of Sumner's Creek, thence proceeding N 70° 24' 21" E a distance of 88.33 feet along said Sumner's Creek to a point, thence proceeding S 79° 42' 16" E a distance of 94.26 feet along said Sumner's Creek to a point, thence proceeding S 52° 41' 46" E a distance of 71.97 feet along said Sumner's Creek to a point, thence proceeding S 66° 30' 08" E a distance of 91.45 feet along said Sumner's Creek to a point, thence proceeding S 52° 58' 25" E a distance of 56.44 feet along said Sumner's Creek to a point, thence proceeding S 00° 33' 15" E a distance of 151.64 feet along said Sumner's Creek to a point, thence proceeding in a straight line in a westerly direction to the northeasterly corner of said "1.50 ACRES" parcel of land owned by the City of Middletown, thence proceeding N 64° 30' 00" W a distance of 267.75 feet along said "1.50 ACRES".

It is the intention of this deed to convey to the grantee whatever interest the grantor may have in and to any land lying between the northerly boundary of the above described parcel and the southerly boundary of Sumner's Creek as shown on said map.

Rec'd for Record FEB 26 2001 at 3:26 PM
Recorded by *[Signature]*
TOWN CLERK

ZONING INFORMATION

SECTION 30 INSTITUTIONAL DEVELOPMENT ZONE

30.01 DESCRIPTION OF ZONE

The zone is designed for development of institutional complexes.

30.02 USES

Permitted land uses in the zones shall be limited to governmental, health, educational, charitable and religious institutions. An institution is an organization, establishment, or foundation or society devoted to the promotion of government, health, educational, charitable or religious objective and includes its buildings. The facility should be compatible with its setting in scale and design.

Other land in the zone, not owned by the institution, shall meet the requirements of the MX zone.

30.03 SITE PLAN REVIEW - WHEN REQUIRED

(a) Site plan review under this section is required in all cases where a site plan is required under Section 55 of this Code.

(b) Application may be made for early review of a preliminary site plan at any time prior to submission of a site plan pursuant to Section 55.00 of this Code. The details and conditions of any preliminary site plan approved hereunder shall be included in any final site plan prepared and submitted according to Section 55 of this Code.

30.04 PRELIMINARY SITE PLAN - REQUIREMENTS AND CONTENTS

The Preliminary Site Plan shall include the following information:

1. Property and zone boundaries.
2. Location of existing and/or proposed building(s), structure(s) and additions with notation as to approximate square footage and number of stories of each building.
3. Proposed off-street parking and loading including driveway entrances and exits, and diagram of proposed traffic flow.
4. General location and type of proposed landscaping buffers.
5. General topography of the entire site.
6. Location of flood area and stream belts.

7. A location sketch showing the relationship for the site to the balance of property owned by the application in the Institutional Development Zone.

8. Statement describing the proposed use of the planned structure or facility.

9. Drawings of the proposed elevations of proposed buildings.

30.05 REVIEW PROCEDURE

(a) Any site plan or preliminary site plan subject to review under this section shall be submitted to the Planning and Zoning Office.

Within 30 days of such submission the Office shall: (1) reject such plan if it does not contain all the information required herein or otherwise does not meet the clear requirements of this Code; or (2) refer said plan to the Commission; or (3) approve such plan if it clearly meets the requirements of this Code, and the conditions of this section do not require submission to the Commission.

(b) The submission of any plan pursuant to this section shall be reported to the Commission at its next meeting immediately following such submission. Any disposition of said submission by the Office shall also be reported to the Commission.

(c) Any plan submitted pursuant to this section must be referred to the Commission for its review if the plan shows or indicates:

1. New construction in excess of 3,000 square feet and/or two stories; or
2. An increase in the gross square feet of an existing structure in excess of 25%; or
3. Any building and/or structure within 125 feet of the boundary line of the zone or within 100 feet of the boundary line of any property within the zone, which property is not governed by this section pursuant to subsections 30.03 and 30.05 hereof.

(d) Where a plan is referred to the Commission, it shall hold a public hearing on any said plan prior to acting on it where the proposed project will have significant impact or major effect on the zone; properties within the zone not owned by the applicant, abutting zones, or the Plan of Development. For the purpose of this section, significant impact of major effect shall include, but not be limited to:

1. New construction in excess of 4,000 square feet and/or two stories; or
2. An increase in the gross square feet of any existing structure in excess of 30%; or
3. Any change deemed likely to result in a significant increase in vehicular traffic in the zone and/or adjoining zones; or
4. Any change deemed likely to result in a significant increase in parking needs in the zone and/or adjoining zones or;
5. Any building and/or structure within 100 feet of the boundary line of the zone or within 75 feet of the boundary line of any property, within the zone, which property is not governed by this section pursuant to subsections 30.03 and 30.05 hereof or;
6. Any change which conflicts with the City's Plan of Development.

(e) In reviewing a site plan hereunder, the Commission shall consider: Whether the plan complies with the City's Plan of Development, the demonstrated adverse effect, if any, on the use and development of adjacent properties or adjacent zones; and the demonstrated adverse effects on the flow of traffic in and around the area of the proposed development. The Commission shall approve, disapprove, or modify said plan. Once a plan is approved or modified, only a final site construction plan under Section 55.00 shall be required, provided said construction plan is presented as part of the documents submitted for a building permit within two years of approval.

30.06 HEIGHT

The maximum building height is ten (10) stories.

30.07 LOT COVERAGE, LOT AREA, WIDTH AND YARD REQUIREMENTS

Where institutional uses extend to several parcels, individual lot requirements are eliminated. Other parcels must meet the requirements of the MX zones.

30.08 OFF-STREET PARKING AND OFF-STREET LOADING REQUIREMENTS

Off-street parking and off-street loading shall be provided in accordance with Section 40 of this Zoning Code.

30.09 SIGNS

Identifying graphics or signs shall be limited in accordance with requirements of Section 48 of this Zoning Code.

Effective April 15, 1987

ASSESSORS FIELD CARDS

MIDDLETOWN CT COMMERCIAL/INDUSTRIAL PROPERTY DESCRIPTION CARD

44 RIVER RD Account Number: R12274 MAP/8BLOCK/LOT 34 24-4 2 Living Units: 0 Class: E 903 Zoning: ID Card # 1 of 1

CURRENT OWNER/ADDRESS
CITY OF MIDDLETOWN
245 DEKOVEN DR
MIDDLETOWN CT 06457

OWNER HISTORY:
DEED VOL/PG DISTRICT 2
Neighborhood ID: 313.00 Deed Volume: 1253
Census Tract: 5417 Deed Page: 147
Deed Date: 20010226
Deed Type: FEB

DBA/NOTES:
1.5 AC TO CITY V-1194 P.216

LAND DATA:
TYPE PRIMARY
SIZE 1.490
0.000
0.000
0.000
0.000

LAND INFLUENCE(S) FACTOR
0
0
0
0
0

LAND VALUE
178,800
0
0
0
0

SALES DATA:
DATE TYPE PRICE CODE
0 0
0 0

TOTAL ACREAGE: 1.490 TOTAL LAND VALUE: 178,800

VALUATION INFORMATION -
Cost Estimate - 292,470
Income Estimate - 151,900
Override Reason - NO OVERRIDE
Total Value - 292,470
Total Assessed: 204,730

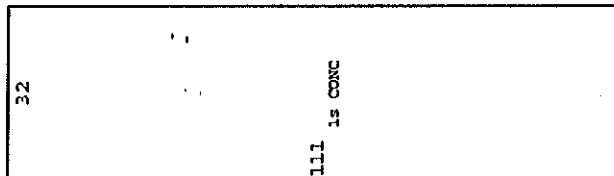
COST APPROACH DETAIL:
LEVELS USE HEATING A/C AREA SF RATE RCN % GOOD RCNLD
01 TO 01 047-AUTO PARTS/SERV UNIT HEAT NONE 3552 37.20 132,130 .50 66,070
TO 0 NONE NONE 0 0.00 0 .00 0
TO 0 NONE NONE 0 0.00 0 .00 0
TO 0 NONE NONE 0 0.00 0 .00 0
TO 0 NONE NONE 0 0.00 0 .00 0
TO 0 NONE NONE 0 0.00 0 .00 0
TO 0 NONE NONE 0 0.00 0 .00 0

SKETCH DATA:
* 1s CONC BK10
A 0 3552 D E F G
B
C

OUTBUILDING/YARD ITEM DETAIL:
DESCRIPTION WIDTH LENGTH OR SIZE QUAN. YEAR BUILT PHYS. COND. FUNC. UTIL. VALUE
RS1-UTIL FRAME 0 280 1 1990 GOOD 0
FNI-FENCE CHAIN 0 40320 1 1960 NORMAL 0
CP7-CANOPY ECON 0 960 0 0 0 0
OTHER IMPROV 0 0 0 0 0 0
TOTAL UNADJ. RCNLD 56,160
GRADE FACTOR 0.85
IDENT UNITS 1
FUNC/ECON FACTOR 1.00
RCNLD 56,160

PERMIT DATA:
DATE # PRICE
TOTAL OBY/YARD VALUE: 57,510
PURPOSE

NOTES:
TANKS TO BE RAZED 1998



MIDDLETOWN CT PROPERTY DESCRIPTION CARD

RIVER RD ACCOUNT NUMBER: R14213 MAP/BLOCK/LOT # 34 24-4 2AA CLASS: E STATE CLASS: 903 CARD #: 1 OF 1

CURRENT OWNER/ADDRESS ZONING: ID OWNER HISTORY: DISTRICT: 2 LIVING UNITS: 0 CENSUS TRACT: 5417
 CITY OF MIDDLETOWN CT 06457 DEED VOL/Pg: - ASSESSMENT INFORMATION -
 245 DEKOVEN DRIVE DEED VOLUME: 1194 DEED PAGE: 216 DEED DATE: 19990323 Effective Date of Value: 10/01/98
 MIDDLETOWN DEED TYPE: LAND DATA: TYPE SIZE INFLUENCE FACTORS (%) LAND VALUE OUTBLDGS: VALUE ASSESSMENT
 PRIMARY 1.500 180,000 180,000 180,000 126,000
 Total: 180,000 126,000

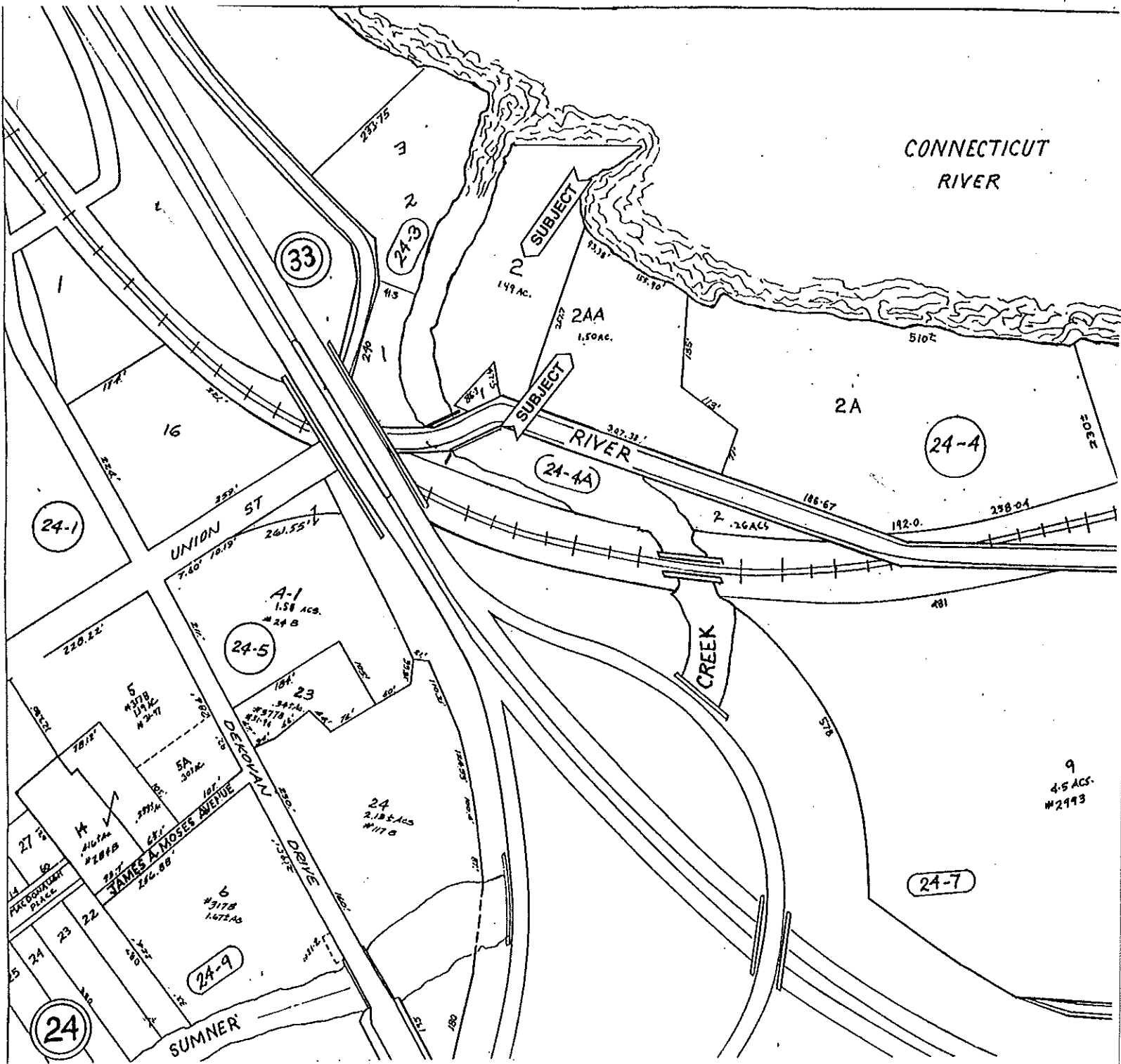
NOTE: TOTAL ACREAGE: 1.500 TOTAL LAND VALUE: 180,000 ADDITION DATA:
 NOTE: PERMIT DATA: Lower Level First Floor Second Floor Third Floor Area
 SALES DATA: Date Permit # Amount Purpose

A B C D E F G H

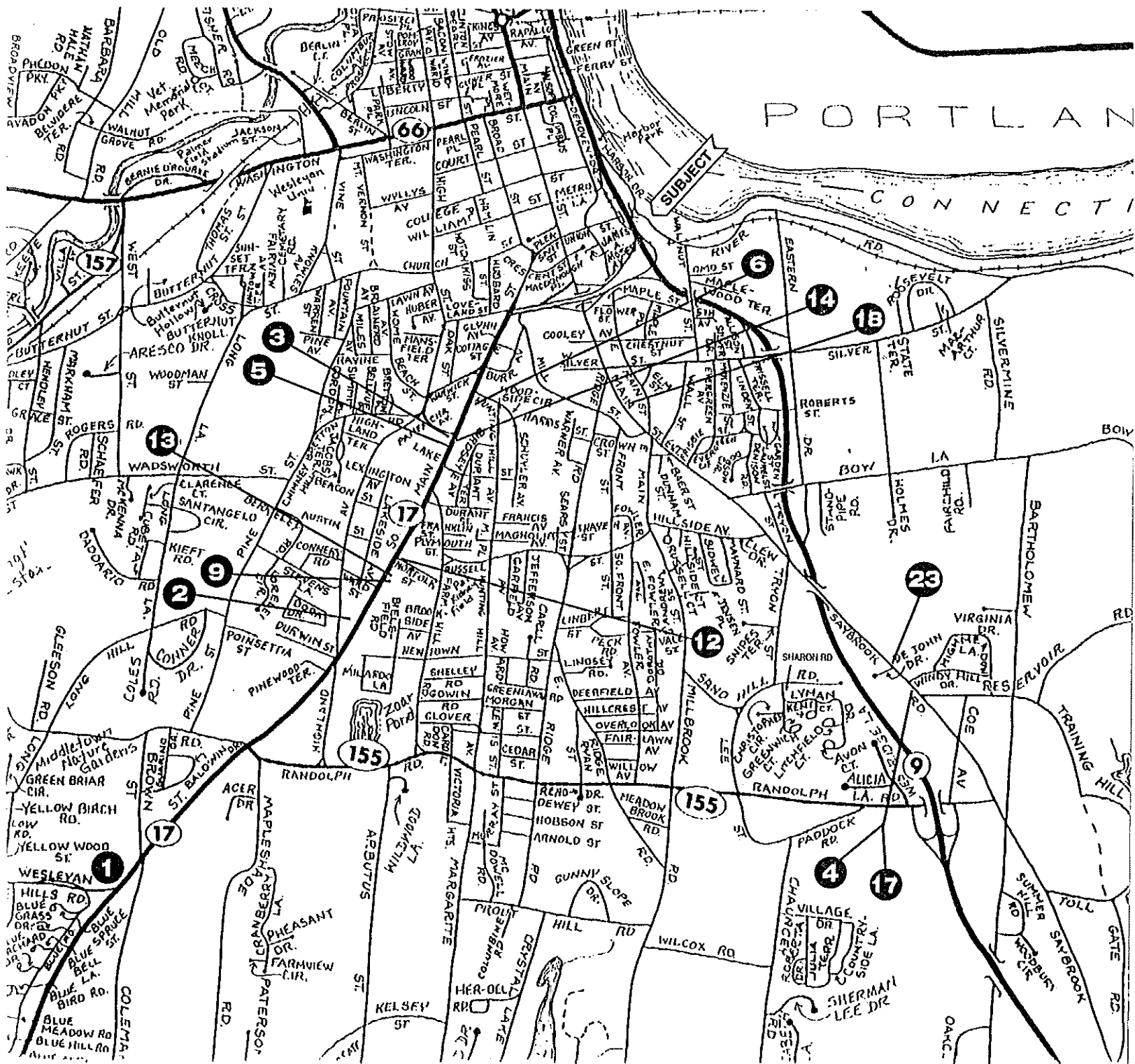
*DWELLING DATA:
 Style: Story Ht.
 Walls: Bedrooms:
 Total Rooms:
 Basement:
 Attic:
 Full Baths:
 Half Baths:
 Add'l Fixtures:
 Heating System: NONE
 Type: NONE
 Fin. Bsmt. Living Area:
 Basement Rec Room Area:
 Total Fireplace:
 Basement Garage (# Cars)
 Total Living Area:
 Quality Grade:
 Year Built:
 Condition:
 Total RCNLD:

OUTBUILDING DATA
 Type Qty Yr Size1 Size2 Grd Cond Value

ASSESSORS MAP



TOWN LOCATION MAP



PHOTOGRAPH ADDENDUM



Building



Street

☐ ADDITIONAL PHOTOGRAPHS ON REVERSE SIDE

PHOTOGRAPH ADDENDUM



Site 2



Site 2

☐ ADDITIONAL PHOTOGRAPHS ON REVERSE SIDE

PHOTOGRAPH ADDENDUM



Site 2AA



Site 2AA

☐ ADDITIONAL PHOTOGRAPHS ON REVERSE SIDE

PHOTOGRAPH ADDENDUM



Comparable #1



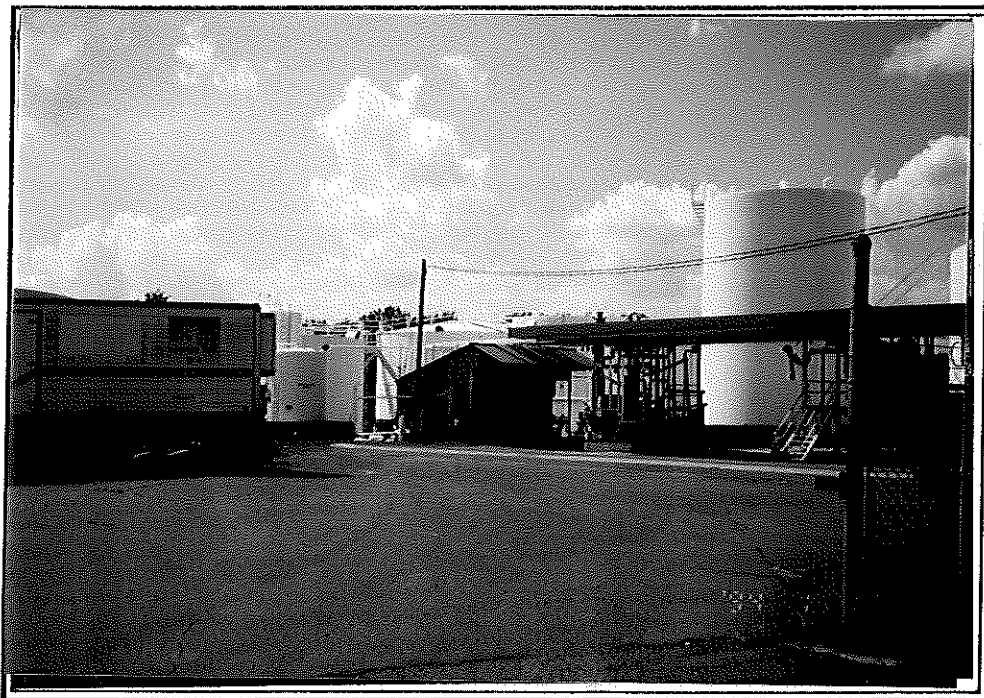
Comparable #2

☐ ADDITIONAL PHOTOGRAPHS ON REVERSE SIDE

PHOTOGRAPH ADDENDUM



Comparable #3



Comparable #4

☐ ADDITIONAL PHOTOGRAPHS ON REVERSE SIDE

Limited Appraisal Departure Disclosure

File No. _____

This Limited Appraisal Departure Disclosure is part of a Limited Appraisal made according to the binding requirements and specific guidelines of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation. The USPAP permits departures from some sections of the USPAP that are classified as specific guidelines. The USPAP places the burden of proof on the appraiser to decide before accepting an assignment which calls for something less than, or different from, the work that would otherwise be required by USPAP specific guidelines, to determine that the appraisal is not so limited as to mislead or confuse the client or other intended users of the report. The appraiser must advise the client that a Limited Appraisal may not be as reliable as a Complete Appraisal, and that the report will clearly identify and explain the departures. The client must agree that the performance of a Limited Appraisal would be appropriate.

I am satisfied that the Limited Appraisal I performed is not so limited as to mislead or confuse the client or other disclosed intended users of the report. I have indicated below those USPAP specific guidelines from which I have departed. I have prominently disclosed in the appraisal report that this is a Limited Appraisal and that I have not performed all of the items of the appraisal process for a Complete Appraisal, and that a Limited Appraisal may be less reliable than a Complete Appraisal.

INDICATE DEPARTURES AND EXPLAIN BELOW:

- ☐ Standard Rule 1-2 (a) "adequately identify the real estate, identify the real property interest, consider the intended use of the appraisal, consider the extent of the data collection process, identify any special limiting conditions, and identify the effective date of the appraisal."
- ☐ Standard Rule 1-2 (b) "define the value being considered; if the value to be estimated is market value, the appraiser must clearly indicate whether the estimate is the most probable price; (i) in terms of cash; or (ii) in terms of financial arrangements equivalent to cash; or (iii) in such other terms as may be properly defined; if an estimate of value is based on sub market financing or financing with unusual conditions or incentives, the terms of such financing must be clearly set forth, their contributions to or negative influence on value must be described and estimated, and the market data supporting the valuation estimate must be described and explained."
- ☐ Standard Rule 1-2 (c) "consider easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances, or other items of a similar nature."
- ☒ Standard Rule 1-2 (d) "consider whether an appraised fractional interest, physical segment, or partial holding contributes pro rata on the value of the whole."
- ☒ Standard Rule 1-2 (e) "identify and consider the effect on value of any personal property, trade fixture or tangible items that are not real property but are included in the appraisal."
- ☐ Standard Rule 1-3 (a) "consider the effect on use and the value of the following factors: existing land use regulations, reasonably probable modifications of such land use regulations, economic demand, the physical adaptability of the real estate, neighborhood trends, and the highest and best use of the real estate."
- ☐ Standard Rule 1-3 (b) "recognize that land is appraised as though vacant and available for development to its highest and best use and that the appraisal of improvements is based on their actual contribution to the site."
- ☐ Standard Rule 1-4 (a) "value the site by an appropriate appraisal method or technique."
- ☐ Standard Rule 1-4 (b) "collect, verify, analyze, and reconcile: (i) such comparable cost data as are available to estimate the cost new of the improvements (if any); (ii) such comparable data as are available to estimate the difference between cost new and the present worth of the improvements (accrued depreciation); (iii) such comparable sales data, adequately identified and described, as are available to indicate a value conclusion; (iv) such comparable operating expenses data as are available to estimate the operating expenses of the property being appraised; (v) such comparable operating data as are available to estimate the operating expenses of the property being appraised; (vi) such comparable data as are available to estimate rates of capitalization and/or rates of discount."
- ☐ Standard Rule 1-4 (c) "base projections of future rent and expenses on reasonably clear and appropriate evidence."
- ☐ Standard Rule 1-4 (d) "when estimating the value of a leased fee estate or a leasehold estate, consider and analyze the effect on value, if any, of the terms and conditions of the lease(s)."
- ☐ Standard Rule 1-4 (e) "consider and analyze the effect on value, if any, of the assemblage of the various estates or component parts of a property and refrain from estimating the value of the whole solely by adding together the individual values of the various estates or component parts."
- ☐ Standard Rule 1-4 (f) "consider and analyze the effect on the value, if any, of anticipated public or private improvements, located on or off the site, to the extent that market actions reflect such anticipated improvements as of the effective appraisal date."
- ☐ Standard Rule 1-4 (g) "identify and consider the appropriate procedures and market information required to perform the appraisal, including all physical, functional, and external market factors as they may affect the appraisal."
- ☐ Standard Rule 1-4 (h) "appraise proposed improvements only after examining and having available for future examination; (i) plans, specifications, or other documentation sufficient to identify the scope and character of the proposed improvements; (ii) evidence indicating the probable time of completion of the proposed improvements; and (iii) reasonable clear and appropriate evidence supporting development costs, anticipated earnings, occupancy projections, and the anticipated competition at the time of completion."
- ☐ Standard Rule 1-4 (i) "all pertinent information in terms (a) through (h) above shall be used in the development of an appraisal."

Departure Explanations No income approach. This is a limited appraisal under the Summary appraisal report guidelines as Authorized. We departed from the income approach in this particular appraisal. Although we have departed from the income approach we have considered it's potential.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby; (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these cost in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

CERTIFICATION AND STATEMENT OF LIMITING CONDITIONS

CERTIFICATION: The Appraiser certifies and agrees that:

1. The Appraiser has no present or contemplated future interest in the property appraised; and neither the employment to make the appraisal, nor the compensation for it, is contingent upon the appraised value of the property.
2. The Appraiser has no personal interest in or bias with respect to the subject matter of the appraisal report or the participants to the sale. The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color, or national origin of the prospective owners or occupants of the property appraised, or upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.
3. The Appraiser has personally inspected the property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. To the best of the Appraiser's knowledge and belief, all statements and information in this report are true and correct, and the Appraiser has not knowingly withheld any significant information.
4. All contingent and limiting conditions are contained herein (imposed by the terms of the assignment or by the undersigned affecting the analyses, opinions, and conclusions contained in the report).
5. This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the appraisal organizations with which the Appraiser is affiliated.
6. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the Appraiser whose signature appears on the appraisal report, unless indicated as "Review Appraiser". No change of any item in the appraisal report shall be made by anyone other than the Appraiser, and the Appraiser shall have no responsibility for any such unauthorized change.

CONTINGENT AND LIMITING CONDITIONS: The certification of the Appraiser appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in the report.

1. The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The Appraiser has made no survey of the property.
3. The Appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefor.
4. Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuation for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
5. The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.
6. Information, estimates, and opinions furnished to the Appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser can be assumed by the Appraiser.
7. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraiser is affiliated.
8. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to the property value, the identity of the Appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the Appraiser is connected), shall be used for any purposes by anyone but the client specified in the report, the borrower if appraisal fee paid by same, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency, or instrumentality of the United States of any state or the District of Columbia, without the previous written consent of the Appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the Appraiser.
9. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.

ENVIRONMENTAL DISCLAIMER: The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser's routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.

ADDITIONAL CERTIFICATION: The appraiser further certifies that:

1. This appraisal conforms to the Uniform Standards of Professional Appraisal Practice ("USPAP") adopted by the Appraisal Standards Board of the Appraisal Foundation, except that the Departure Provision of the USPAP does not apply.
2. Their compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
3. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

Note: The environmental disclaimer and the additional certification are neither approved nor disapproved by Freddie Mac or Fannie Mae.

Date:

Aug 1, 2001

Appraiser:

CMRum 0893

Date:

Review Appraiser:
(If Applicable)